Status Report
Summary on Broadband Training Programs
Nancy Mantell --- Feb 28, 2012

The objective of this part of the study is to collect and analyze information as to public and private opportunities in underserved communities for residents to obtain access to broadband services and to learn to use them. This is important information as "research on the digital divide has offered important insight into the economic costs and nature of digital exclusion in America today. These studies illustrate the benefits that broadband can bring to both individuals and society related to consumer welfare, worker training, e-government services, education, economic growth and civic participation."[1] Furthermore, analysis of the New Jersey household survey data identified lack of experience in using the Internet by the head of the household as a significant behavioral factor for broadband non-adoption. Training programs that provide this experience, then, have the potential to positively impact household adoption.

Steps

▪ Expand on the work begun in Summary of Some Broadband Adoption Programs in the State of New Jersey.[2] We will conduct a survey of those programs to determine the numbers of people who have participated in the programs and, in the case of courses, did the courses enable the students to find jobs, and, if possible, what kinds of jobs and at what level of pay. The survey work has begun in the last couple of weeks.

▪ Examine the training grants of the New Jersey Department of Labor and Workforce Development for the 4 year period from 2008 to 2011 to find those related specifically to internet/broadband training. That work has been begun and is described further below.

▪ Use the New Jersey Training Opportunities website (www.njtopps.org) to examine the outcomes of grants and courses. That is—did the courses enable the students to find jobs, and, if possible, what kinds of jobs. That work will be ongoing in the next months.

Training grants from N.J. Department of Labor and Workforce Development

During 2008 – 2011, 1,027 grants were made in by the New Jersey Department of Labor and Workforce Development through its Office of Customized Training. Nearly half the grants were in manufacturing, with another 15% in healthcare, and another 15% in professional and business services and wholesale trade combined. The rest of the grants were scattered among New Jersey's other industries. About a third of all trainees were in the healthcare industry, 20% were in manufacturing, 14% were in accommodations and food services, and 6% or fewer were in finance, information, and professional and business services. The rest of New Jersey's industries accounted for about 17% of trainees.

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[1] Poverty, Inequality, and the Social and Political Effects of the Digital Divide, Amy Bach and Todd Wolfson, Rutgers University, p. 2.
[2] Amy Bach and Todd Wolfson, Summer 2011.

Overall, 11% of trainees were hired. Of industries in which more than a handful of companies participated in the program, the information industry hired the highest percent of trainees (27%). Although the information industry's cost per trainee was higher than average (at $1,849 versus the average of $1,172), it hired such a large proportion of trainees, that its cost per new hire was $5,300 or 33% below the average.

About 40 different kinds of training programs were offered grants. While none were specifically for broadband use, the closest fits are grants for PC skills and business communications. Among all industries in N.J., PC training was one of the most frequently offered types of training, followed closely by business communications.

Overall, 43% of the grants offered some PC training, 36% offered some training in business communications, and 23% offered training in both. Among industries with a substantial number of trainees, 52% of the grants in healthcare offered PC training, as did 72% of the programs in finance, 47% in professional and business services, and 59% of those in information. Among the industries with a substantial number of trainees, 52% of the grants in healthcare offered training in business communications, as did 64% of the programs in finance, 41% in professional and business services, 45% of those in accommodations and food service, and 41% of those in information. Of the industries with a large number of trainees, only manufacturing had less than the average proportion grants offering PC and business communications training.

The 27 grants from firms in the information industry included those to print and on-line publishers (Dow Jones, South Jersey Publishing Company, Pearson Education Inc., The Newark Morning Ledger, Recording for the Blind and Dyslexic (2), Northstar Travel Media, R.R. Bowker, and Pantone, Inc.); telecommunications companies (Comcast (2), Verizon, Vitel Communications LLC (2), SES WorldSkies (2), Telcordia (2), and Vonage Holdings Corp.), and other information companies (Paetec Communications (2), Entel Systems, Archtech Electronics Corp. (2), and Solix Inc.).

More than half of the training programs in information were in the central part of the state, mainly in Mercer and Middlesex counties, with another 8 programs scattered throughout northern New Jersey, and the 5 programs in the south in Mt. Laurel and in Atlantic County. Within the telecommunications sector, Verizon in Newark hired 1,100 or 1,140 trainees, and Vonage in Holmdel hired 1,144 of 2,436. Comcast, in E. Windsor hired 14 percent of its 2,920 trainees, and Telcordia in Piscataway hired 100 of its 865 trainees. The only other company that hired at least 100 trainees was Pearson Education, Inc. in Upper Saddle River.

Of the skills the most frequently listed in the information industry was team building or leadership. It was included as a goal in 17 of the 27 information industry grants. Other skills listed at least 10 times were business communications, business administration, customer service skills, PC skills, and problem solving. Interestingly enough, although all of these grants were for information companies, few of them offered training in any specifically communications or computer areas other than PC skills. The ones that offered the most technically oriented training were Verizon, Comcast, and Telcordia.